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SUBJECT: VENEZUELA WITHDRAWS T&T INVITATION TO SOUTH AMERICAN ENERGY SUMMIT

REF: (A) CARACAS 00781

(B) PORT OF SPAIN 00389
(C) 2006 CARACAS 1712

SENSITIVE BUT UNCLASSIFIED - HANDLE ACCORDINGLY

¶1. (U) SUMMARY: After first inviting Prime Minister Patrick Manning to a South American energy summit in Venezuela, Hugo Chavez unexpectedly withdrew the invitation on April 17, attributing the disinvitation to a lack of consensus among the summit participants regarding arrangements for Manning's attendance. Coincidentally, the GOTT announced that Chavez would not be visiting T&T in April, as originally planned, to consolidate what Manning had called "the T&T/Venezuelan energy alliance". Speculation is rife as to why the invitation to Manning was withdrawn, why the Chavez visit was postponed, and to what extent a so called "energy alliance between T&T and Venezuela is in fact on the cards". Some commentators and anti-government politicians have said that possible reasons for the apparent friction in the relationship are Manning's initial opposition to the Petrocaribe initiative, T&T's unwillingness to participate in any South American gas cartel, and Mercosur's resistance to Port of Spain as a headquarters for an FTAA. However, the likelihood is that the publicly stated reason of a lack of consensus about Manning's attendance at an otherwise exclusively South American gathering is in fact on the mark. Post will continue to monitor any progress or lack thereof in Manning's efforts to promote energy cooperation between T&T and Venezuela. END SUMMARY.

¶2. (U) On April 17, Prime Minister Patrick Manning canceled his trip to Margarita Island, Venezuela reportedly because BRV authorities were unable to finalize appropriate arrangements for him. Manning had been invited to attend a two-day South American Energy Summit. Minister of Foreign Affairs Arnold Piggott received a diplomatic note from the BRV Foreign Minister stating that due to a lack of consensus among attending South American countries, arrangements could not be organized in time for Manning, according to media reports. The Prime Minister's office tried to downplay any impression that this might set back Manning's effort to promote bilateral energy cooperation with the BRV by stressing that GOTT and BRV energy Ministries continue to work on a bilateral energy Memorandum of Understanding (MOU), with the goal of having it ready for the next Manning/Chavez Summit.

¶3. (U) Efforts to downplay the canceled trip, however, were undercut when Energy Minister Lenny Saith revealed at an April 26 post-Cabinet news conference that Manning and Chavez had not yet set a date for Chavez's prospective visit to T&T to continue discussions on regional energy cooperation between the two countries. The remark came as a telling departure from initial statements made by Manning and Piggott that Chavez would come to T&T in April, leading many to conclude that the GOTT was diplomatically snubbed by the BRV. Moreover, with national elections in view the issue is becoming politicized. On May 2, Opposition Party United National

Congress (UNC) Deputy Political Leader Jack Warner publicly asserted that Manning was disinvented to the Summit because MERCOSUR members were opposed to Manning's bid for the FTAA seat.

¶4. (SBU) Initially, speculation was that GOTT's disinvention to the Summit was because of comments made by Saith at the April 9 Doha Gas Exporting Countries Forum in Doha that the GOTT would not participate in a Western Hemisphere gas organization.

¶5. (U) However, another set of possible explanations was put forth by Basil Ince - a local columnist and former GOTT Minister of Foreign Affairs - in an April 25 op/ed in the Trinidad Express. Ince concluded that GOTT was snubbed by BRV for three reasons: 1. GOTT's reluctance to support Venezuela's Petrocaribe initiative; 2. GOTT's negative stance on Venezuela's ALBA initiative, Chavez's effort to undermine the FTAA, and; 3. The fact that the Summit was drawn up as a South American affair.

¶6. (SBU) COMMENT: Post doubts that Petrocaribe factored into the BRV's equation given that Manning muted his criticism of Petrocaribe before visiting Caracas on March 20 and is now angling for a supporting role in the initiative (reftel C). However, Manning's publicly stated strong support for the FTAA process and his reluctance to sign on to ALBA during his meeting with Chavez could have weighed in the decision to disinvent the GOTT, since Chavez used the Energy Summit meeting to push his own Venezuela-centric vision of regional integration. Also, it is too early to tell whether Jack Warner's criticism of Manning's FTAA stance will have legs. Even if opposition criticism continues, Post does not expect Manning to moderate his support for FTAA.

¶7. (SBU) COMMENT CONTINUED: All told, the likelihood is that GOTT was disinvented because it fell outside the Summit's South American framework. Chavez's verbal off-the-cuff invitation to Manning at the hastily arranged March 20 meeting probably was not seconded by other members, all South American nations. But the timing of the disinvention, as well as the continued postponements in Chavez's prospective visit to T&T raise doubts as to where Manning and Chavez really stand on Manning's proposed bilateral energy cooperation, which on April 16, he described to CODEL Engel as an "energy alliance" intended to temper Venezuela's influence in the region (reftel B). Post will continue to monitor as the matter unfolds.
END COMMENT.

AUSTIN